

FOR WIRE TRANSMISSION 8:30 A.M. ET, Wednesday, July 16, 2003

CB-03-109

MANUFACTURING AND TRADE INVENTORIES AND SALES **May 2003**

Intention to Revise Estimates: Revisions to the unadjusted and adjusted monthly estimates of manufacturing shipments and inventories are scheduled for release on August 19, 2003. At that time, the manufacturing estimates will again include the semiconductor industry. For further information on this change, see <http://www.census.gov/indicator/www/m3/index.html>. These estimates will be reflected in the September 15 release of this report.

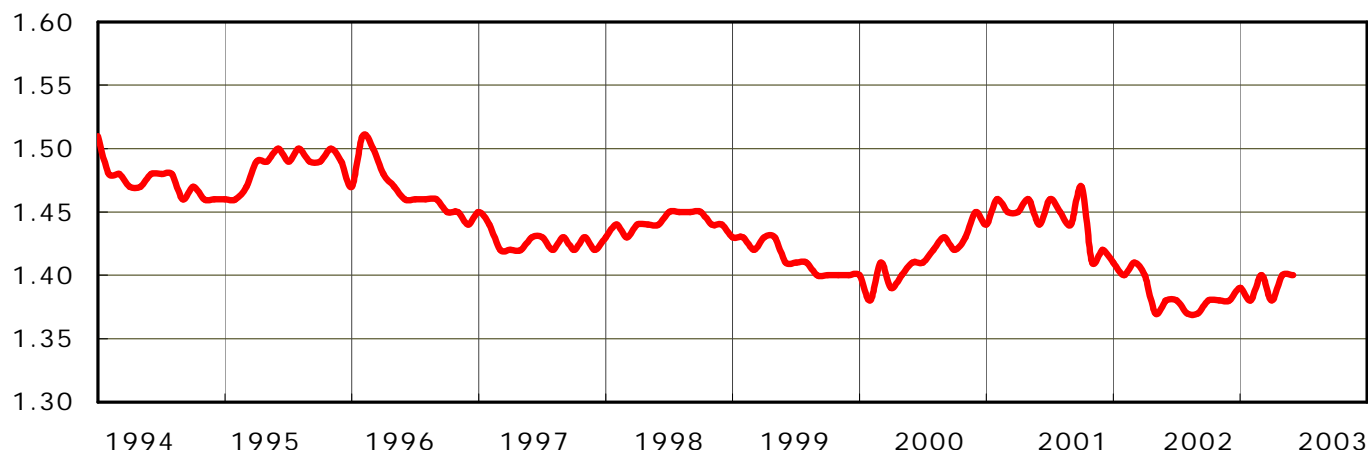
Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments (excluding semiconductors) for May, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$834.1 billion, unchanged ($\pm 0.2\%$) from April, but up 2.0 percent ($\pm 0.2\%$) from May 2002.

Inventories. Manufacturers' and trade inventories (excluding semiconductors) adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,167.9 billion, down 0.2 percent ($\pm 0.2\%$) from April, but up 3.5 percent ($\pm 0.5\%$) from May 2002.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of May was 1.40. The May 2002 ratio was 1.38.

Total Business Inventories/Sales Ratios: 1994 to 2003

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for June is scheduled for release August 13, 2003 at 10:00 a.m. Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 763-4832 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: retail.trade@census.gov.

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. May data was released July 2 for Manufacturers and July 9 for merchant wholesalers. The data are also available the day of issue on the Internet- <http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	May. 2003	Apr. 2003	May. 2002	May. 2003	Apr. 2003	May. 2002	May. 2003	Apr. 2003	May. 2002
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business ³	834,125	834,296	817,410	1,167,917	1,170,607	1,128,039	1.40	1.40	1.38
Manufacturers ^{3,4}	321,409	320,061	323,736	431,723	432,257	428,592	1.34	1.35	1.32
Retailers.....	279,291	279,601	266,228	446,855	448,258	416,594	1.60	1.60	1.56
Merchant wholesalers.....	233,425	234,634	227,446	289,339	290,092	282,853	1.24	1.24	1.24
Not Adjusted									
Total business.....	860,211	834,473	851,640	1,166,082	1,176,909	1,125,667	1.36	1.41	1.32
Manufacturers ^{3,4}	328,276	317,067	333,386	433,985	433,299	430,844	1.32	1.37	1.29
Retailers.....	295,224	278,739	281,699	446,110	452,851	415,200	1.51	1.62	1.47
Merchant wholesalers.....	236,711	238,667	236,555	285,987	290,759	279,623	1.21	1.22	1.18

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories -- Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	May. 03/ Apr. 03	Apr. 03/ Mar. 03	May. 03/ May. 02	May. 03/ Apr. 03	Apr. 03/ Mar. 03	May. 03/ May. 02	May. 03/ Apr. 03	Apr. 03/ Mar. 03	May. 03/ May. 02	May. 03/ Apr. 03	Apr. 03/ Mar. 03	May. 03/ May. 02
Total business.....	0.0	-1.7	2.0	-0.2	0.0	3.5	3.1	-3.4	1.0	-0.9	0.4	3.6
Manufacturers.....	0.4	-2.3	-0.7	-0.1	-0.1	0.7	3.5	-8.0	-1.5	0.2	0.8	0.7
Retailers.....	-0.1	-0.3	4.9	-0.3	0.2	7.3	5.9	1.0	4.8	-1.5	0.5	7.4
Merchant wholesalers..	-0.5	-2.5	2.6	-0.3	-0.3	2.3	-0.8	-2.0	0.1	-1.6	-0.3	2.3

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		My. 2003 (p)	Apr. 2003 (r)	My. 2002 (s)	My. 2003 (p)	Apr. 2003 (r)	My. 2002 (s)	My. 03/ Apr. 03	Apr. 03/ Mar. 03	My. 03/ My. 02	My. 03	Apr. 03	My. 02
	Adjusted ²												
	Retail trade, total.....	279,291	279,601	266,228	446,855	448,258	416,594	-0.3	0.2	7.3	1.60	1.60	1.56
	Total (excl. motor veh. & parts).....	204,805	204,980	198,827	291,700	292,677	283,592	-0.3	-0.1	2.9	1.42	1.43	1.43
441	Motor vehicle & parts dealers.....	74,486	74,621	67,401	155,155	155,581	133,002	-0.3	0.9	16.7	2.08	2.08	1.97
442,3	Furniture, home furn., elect. & appl. stores..	15,893	15,674	15,418	26,409	26,300	25,662	0.4	0.2	2.9	1.66	1.68	1.66
444	Building materials, garden equip & supplies..	25,938	25,982	25,163	44,081	43,804	41,743	0.6	-0.6	5.6	1.70	1.69	1.66
445	Food & beverage stores.....	41,872	41,979	40,842	34,604	34,500	33,817	0.3	0.0	2.3	0.83	0.82	0.83
448	Clothing & clothing access. stores.....	14,605	14,379	14,071	37,006	36,897	34,774	0.3	-0.3	6.4	2.53	2.57	2.47
452	General merchandise stores.....	38,974	38,703	37,657	66,573	67,572	64,580	-1.5	1.0	3.1	1.71	1.75	1.71
4521	Dept. strcs. (excl. leased depts.).....	18,013	17,885	18,821	36,925	37,713	38,637	-2.1	0.6	-4.4	2.05	2.11	2.05
	Not Adjusted												
	Retail trade, total.....	295,224	278,739	281,699	446,110	452,851	415,200	-1.5	0.5	7.4	1.51	1.62	1.47
	Total (excl. motor veh. & parts).....	212,977	201,289	206,974	285,740	289,467	277,898	-1.3	0.0	2.8	1.34	1.44	1.34
441	Motor vehicle & parts dealers.....	82,247	77,450	74,725	160,370	163,384	137,302	-1.8	1.4	16.8	1.95	2.11	1.84
442,3	Furniture, home furn., elect. & appl. stores..	15,533	14,139	14,983	25,775	25,827	24,965	-0.2	1.0	3.1	1.66	1.83	1.67
444	Building materials, garden equip & supplies..	31,338	29,443	30,609	45,756	46,082	43,329	-0.7	0.1	5.6	1.46	1.57	1.42
445	Food & beverage stores.....	43,845	41,081	42,554	34,063	34,129	33,284	-0.2	-0.8	2.3	0.78	0.83	0.78
448	Clothing & clothing access. stores.....	14,774	13,682	14,156	35,489	35,827	33,383	-0.9	-1.0	6.3	2.40	2.62	2.36
452	General merchandise stores.....	39,424	36,589	38,080	64,080	65,658	62,229	-2.4	1.4	3.0	1.63	1.79	1.63
4521	Dept. strcs. (excl. leased depts.).....	17,876	16,669	18,764	35,559	36,685	37,246	-3.1	0.8	-4.5	1.99	2.20	1.98

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Total business and manufacturers estimates exclude semiconductor manufacturers. The number of semiconductor manufacturers choosing not to participate in the voluntary manufacturing monthly survey has risen to a level such that the Census Bureau can no longer produce monthly estimates of semiconductor data.

⁴ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.